



United States  
Department of  
Agriculture

Forest  
Service

Fishlake National Forest  
Beaver Ranger District  
Fax: (435) 438-1242

575 S. Main, PO Box E  
Beaver, UT 84713  
Phone: (435) 438-2436

m/031/003

File Code: 2810

Date: August 3, 2004

Doug Jensen  
Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

RECEIVED  
AUG 06 2004  
DIV. OF OIL, GAS & MINING

Dear Doug,

We have evaluated the "Fourth Review of Notice of Intention to Commence Large Mining Operations" for the Unico Incorporated—Deer Trail Mine, and have the following comments:

#### **Maps, Drawings & Photographs**

Within the past week we have visited the PTH Tunnel site and had discussions with Dan Proctor regarding the facilities there. There is essentially no change in the number and type of permanent structures that were included in Unico's 1999 Plan of Operations with the Forest Service. The original map labeled "IV-E" showing the location of the facilities along with a description of the facilities on a separate page titled "IV-E. Structures" are enclosed. Mr. Proctor provided a more recent map dated 3/15/2001, also enclosed, that agrees with the 1999 map.

As in the 1999 plan, reclamation should include removal of all facilities shown on the map. Besides the buildings, this would include the power substation, power lines, chain link fence, and water storage tank. Unico has recently moved in two trailers (see enclosed letter dated July 27, 2004) removal of which would also need to be included under reclamation.

#### **Operations Practices**

**Closing or guarding shafts & tunnels:** We agree with the mitigation measures described for bats, including final reclamation of the PTH portal to include a steel bat gate/grate. The gate should meet the latest design criteria specified by the State Abandoned Mine Reclamation Group and UDWR.

#### **Reclamation Plan**

**Revegetation planting program:** The Forest Service would require Unico to reclaim only that portion of the PTH dump that they would be disturbed by their operation. As indicated in the 1999 Plan, about 15,000 square feet of the dump would be affected by Unico's current operations. Although not stated in the 1999 plan, we would support placing a topsoil cap, if available, on the disturbed dump area as part of the updated plan followed by fertilization and seeding with a mixture and rate as specified in the original Reclamation Plan (enclosed).



## **Reclamation Practices**

**Structures & equipment buried or removed:** We would require that all facilities (including substation and powerlines) on NFS land be demolished or dismantled and hauled to an approved landfill. Hazardous wastes must be disposed of in a manner and at a location specified by State and Federal laws and regulations.

Unico has indicated that they might seek an amendment from the Forest Service at some point to allow burial the demolished buildings, if feasible. The Forest Service would evaluate and decide upon a proposal for on-site disposal at that time.

## **Surety**


See the attached maps and description of the structures and facilities at the PTH tunnel compound, all of which need to be demolished and removed upon close-out. In the Division's comments you have described the Forest Service's reclamation requirements from the 1999 Plan. These requirements, including removal of the power line and substation, would not change. The original bond amount for the various items needs to be adjusted for inflation and updated to reflect new items and information provided by Unico. The bond should also include the cost of removal of the two trailers described in the attached letter from Unico.

The original cost for removal of the power line and substation, \$3,500, was based on an estimate provided by Utah Power Light in Richfield in 1997. We have been unable to get an updated estimate from UP&L, and would encourage Unico to provide one as part of their proposal. Removal and disposal of the electrical system would likely require the services of a certified contractor. UP&L does not own or maintain the electrical facilities at the PTH compound and above.

Surface disturbance associated with protective measures taken by Unico at the direction of the Forest Service to prevent damage from a wildfire in 2002 would not be the company's reclamation responsibility.

Please contact Steve Winslow at (435) 438-2436 if you have any questions.

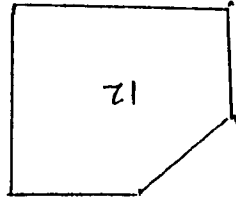
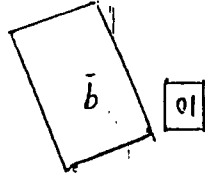
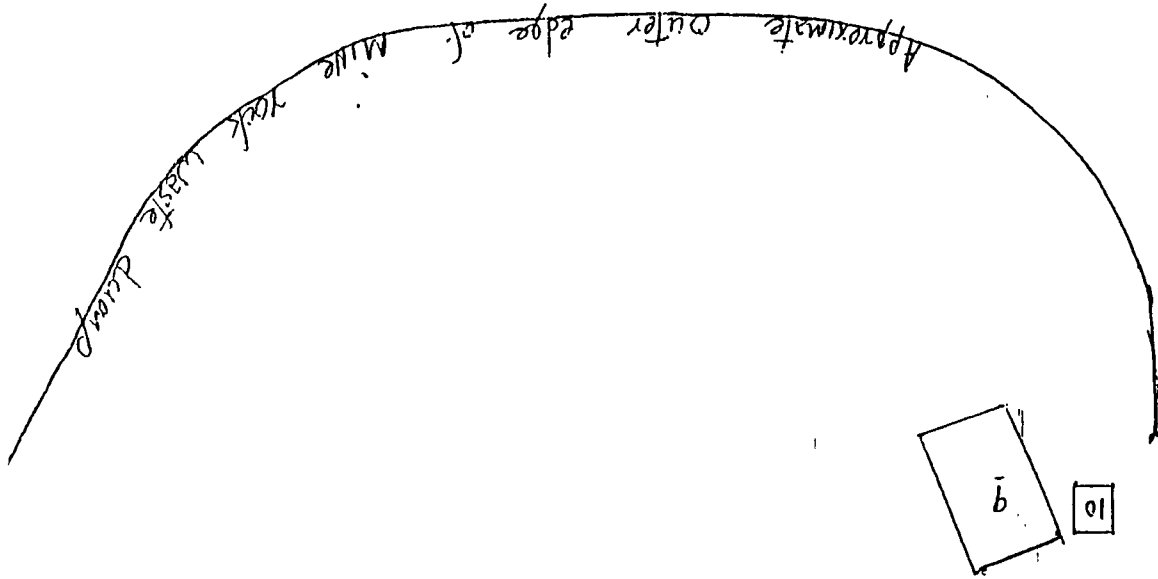
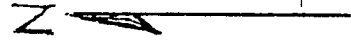
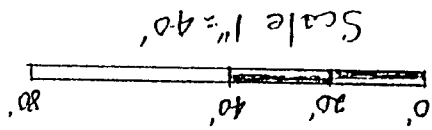
Sincerely,



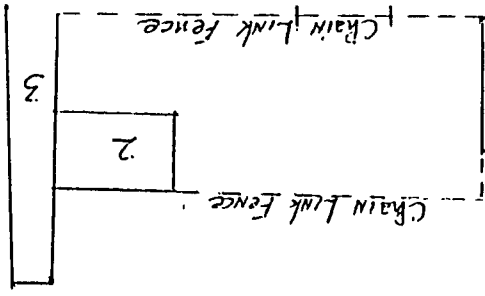
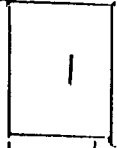
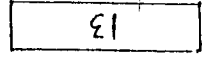
DAYLE FLANIGAN  
District Ranger

Enclosures (5)

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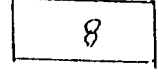
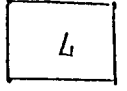
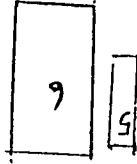
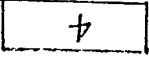


Chain Link Fence



Water Line

Trunk

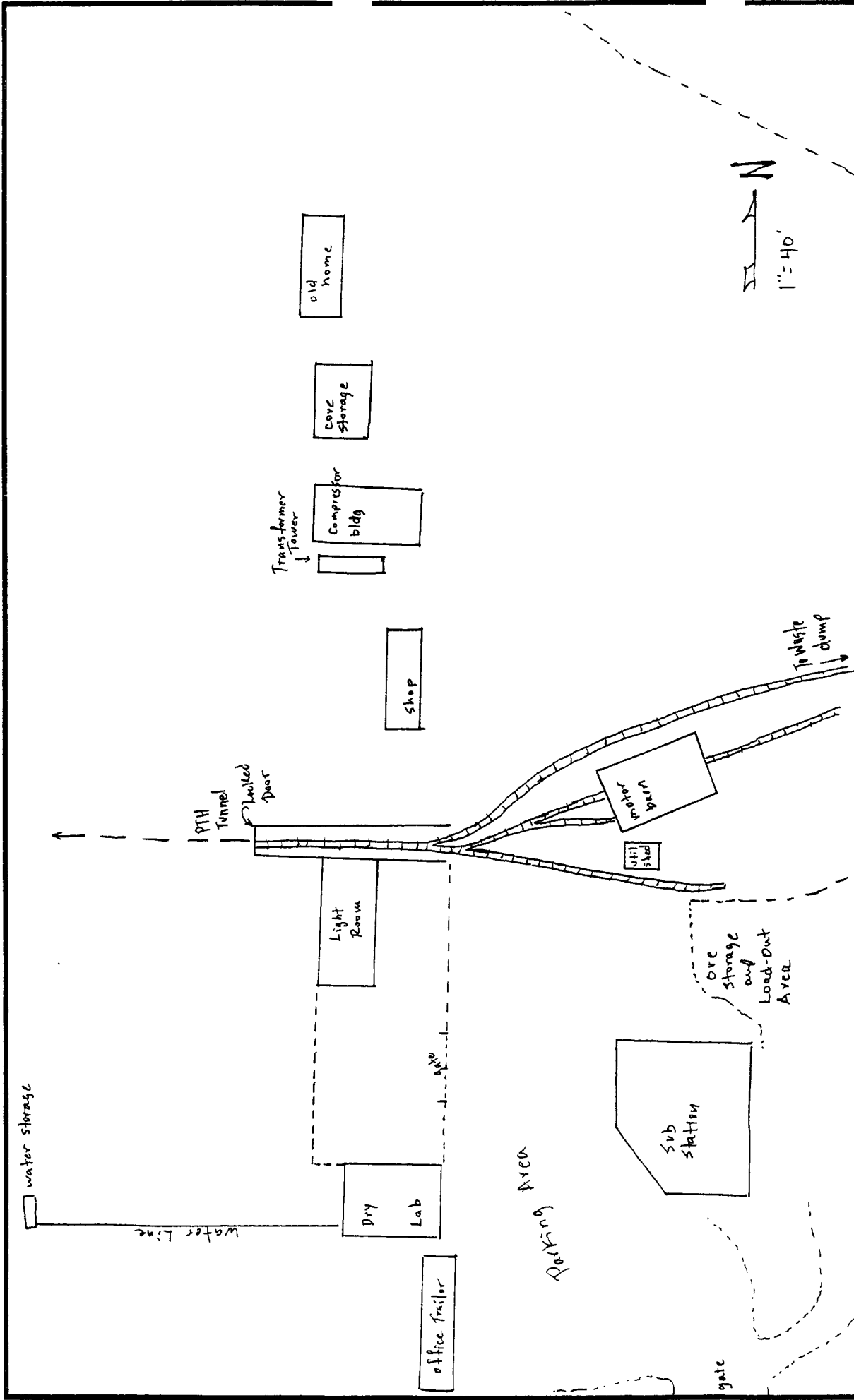


IV-E

#### IV - E. STRUCTURES

All of the structures listed below have a near proximity to the PTH mine operation and are all used and needed for the proposed exploration and mining project. This need includes the power lines running from the transformer station (Refer to No.12, below) to the "E" Raise where the lines are taken underground.

1. Cinder Block with Concrete Floor.  
Change/Shower/Restroom Building - Required by OSHA
2. Tin Exterior with Concrete Floor.  
Machine Shop/Parts
3. Tin Covered Shed  
Covering Mine Portal
4. Tin Covered Building  
Supply Storage - includes 50 gal drums of oil, and lubricants, drill machines
5. Transformer Platform  
Supplies power needs to compressors and shop areas.
6. Tin Covered with Concrete Floor  
Compressor Building - houses the mine compressors.
7. Tin Covered Building  
Machine parts storage.
8. Wooden Structure (two rooms) with Wood Floor  
Office area and drill core/sample storage
9. Tin Covered Building with Concrete Floor  
Storage of electric trammer motors and mine lights charging facility.  
Small parts workshop.
10. Tin Covered Shed  
Contains the generator for charging motors and lights.
11. Tin and Wood Structure (heavy construction)  
For security storage.
12. Transformer Station - Surrounded by High Chain Link Fence  
Supplies power to the entire mine operation (Surface and Underground).
13. 10' x 40' Mobile Trailer  
This facility will likely become the main mine office with telephone, mapping facilities, computer center.
14. Water Storage Tank  
Supplies water for personal hygiene use and as a first effort against possible fire occurrence.



TOLERANCES EXCEPT AS NOTED		REVISIONS			Unico Inc.	
		NO	DATE	BY	PTH Tunnel Compound	
DECIMAL		1			DRAWN BY	SCALE 1" = 40'
±		2			WSP	MATERIAL
FRACTIONAL		3			CHECKED	DATE 3/15/2001
±		4			TRACED	DRAWING NO
ANGULAR		5			APPROVED	
±						



#

Unico Incorporated  
P.O. Box 777  
Magalia, CA 95954  
801-361-4242 fax 801-796-0257

July 27, 2004

To: USDA Forest Service  
Fish Lake National Forest  
Beaver, Utah  
c/o Mr. Steve Winslow

Re: Additional facilities at the Deer Trail Mine PTH Tunnel area

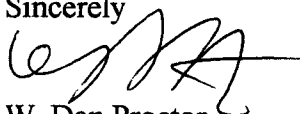
Dear Steve,

This letter is to serve as a follow-up to our conversation we had yesterday on the phone. We are proposing to bring in two portable office type trailers to the PTH area adjacent to the cinder block building. One trailer is going to be used as a geologist office and the other trailer will be used as part of our laboratory presently in the cinder block building. The geologist office trailer is 12'x28' and the lab trailer is 12'x60'. The reason for locating these portable units at the PTH area is to take advantage of the electrical service that is available there. Please add these two additional facilities to the present plan of operations we have with you.

We have been making good progress in our efforts to begin operations at the Deer Trail mine and mill. We look forward to your comments as it pertains to these additions. As always we will comply with any recommendations that you may have. We are presently prepared to post any additional bonding to secure these additions at the PTH area.

If you should have any questions please call at 801-361-4242 or fax any concerns to 801-796-0257 or 435-326-2004.

Sincerely



W. Dan Proctor  
Unico Incorporated

# **RECLAMATION PLAN** for **DEER TRAIL MINE (PTH)**

## **I. REMOVAL OF SURFACE STRUCTURES AND EQUIPMENT**

### **Description:**

Remove 11 buildings/structures including one trailer. Remove and dispose of the contents of the buildings. Demolish buildings and footings and haul all debris to a sanitary landfill or otherwise salvage and remove from the site. Load all other surface debris, including metal and wood material and machinery and remove from site. Excavate and remove water storage tank. Remove and dispose of chain link fence. Remove transformer substation and power line from the substation to the "E" Raise. Salvage material, equipment, and machinery when practicable.

## **II. SURFACE RECLAMATION - REVEGETATION**

### **Description:**

Contour and reshape the ground surface to blend in with surrounding terrain after facilities are removed. Close and recontour portals and remove access roads into PTH portal and into "E" Raise portal (from junctions with Forest Road 125). Scarify all compacted surfaces. Seed all disturbed areas (estimated at 2 acres) with Forest Service approved seed mix at 26 pounds per acre. Fertilize at 200 pounds per acre with commercial fertilizer (16:16:16).

Recommended seed mixture for Deer trail Mine site, Beaver Ranger District.

<i>Species</i>	<i>Pounds/Acre</i>
Hard Fescue (Durar)	4
Dryland Orchardgrass (Paiute)	2
Bluebonnet Wheatgrass	4
Crested Wheatgrass (Hycrest)	6
Arrowgrass	4
Arrowweed	2
Small Burnet (Delar)	4
<b>Total</b>	<b>26</b>

### III. RECLAMATION STANDARDS

1. Upon cessation of mining activity, all buildings, metal and wood material, and machinery in the mine project area will be removed from National Forest System lands, unless specifically authorized by the Forest Service.
2. Areas no longer needed for mining operations will receive reclamation treatment as prescribed in the reclamation plan within 1 year.
3. All reclaimed areas will be graded and restored to closely resemble the general surface configuration of surrounding terrain and restored to closely resemble the general surface configuration of surrounding terrain and blend into and compliment the drainage pattern of the surrounding terrain, and be reclaimed to be capable of supporting the approved post-mining land use.
4. Seeding and planting of disturbed areas shall be conducted:
  - a) Immediately after final site preparation; and
  - b) During the first normal period for favorable planting conditions as recommended by the Forest Service.
5. Acceptable ground cover requirements for bond release will be at least 70 percent of an adjacent like area. Ground cover will include:
  - a) live perennial basal herbaceous vegetation.
  - b) accumulated dead plant litter.
  - c) rock fragments over 3/4 inch diameter.



## RECLAMATION BOND WORKSHEET

for

UNICO, Inc.

DEER TRAIL MINE (PTH)

Plan No. 040803-97-1

### I. EQUIPMENT AND MOBILIZATION COSTS

**Description:** Type and hourly rate of heavy equipment needed to accomplish reclamation. Move-in and move-out (roading) costs Hourly operating costs were used to estimate reclamation costs in parts II and III.

	Operating Cost (per hour)	Move-in & Move-out Cost
Track-mounted Excavator (Backhoe) 1.5 cu.yd. capacity	\$ 75.00	\$ 160
Loader, wheel type, 4-wd, 2.5 cu.yd. capacity	\$ 45.00	\$ 160
Dump Truck, 12-18 cu.yd. capacity	\$ 45.00	\$ 105
	<b>Total</b>	\$ 425

### II. REMOVAL OF SURFACE STRUCTURES AND EQUIPMENT

**Description:** Remove 11 buildings/structures including one trailer. Remove and dispose of the contents of the buildings. Demolish buildings and footings and haul all debris to a sanitary landfill. Load all other surface debris, including metal and wood material and machinery and haul to landfill. Excavate and remove water storage tank. Remove and dispose of chain link fence. Remove transformer substation and power line from the substation to the "E" Raise. Salvage material, equipment, and machinery when practicable.

	Unit Cost	No. of Units	Total
Buildings	\$2.75 per sq. ft	11 @ 3,900 sq. ft	\$ 10,725
Power Line & Substation		3,000 feet	\$ 3,500
House Trailer		1	\$ 300
Chain Link Fence		370 feet	\$ 350
Water Storage Tank		1	\$ 250
Labor demolition & load	\$14.00 per hour	40 hours	\$ 560
		<b>Total</b>	\$ 15,685

### III. SURFACE RECLAMATION - REVEGETATION

**Description:** Contour and reshape the ground surface to blend in with surrounding terrain after facilities are removed. Close and recontour portals and remove access roads into PTH portal and into "E" Raise portal (from junctions with Forest Road 125) Scarify all compacted surfaces Assumes use of track-mounted excavator at \$75 per hour to accomplish all work Seed with Forest Service approved seed mix; fertilize

	Unit Cost	No. of Units	Total
Contour, reshape, scarify around buildings; close portals	\$800 per acre	1.3 acres	\$ 1,040
Contour, obliterate access roads	\$2,600 per mile	0.5 miles	\$ 1,300
Seeding	Seed: 26 lbs/acre @ \$1.50/pound	2.0 acres	\$ 75
Fertilizing	Fertilizer: 200 lbs/acre @\$0.10/pound	2.0 acres	\$ 40
Labor: Seeding and fertilizing	\$14.00 per hour	6 hours	\$ 84
		<b>Total</b>	<b>\$ 2,539</b>

### IV. SUMMARY

ITEM	TOTAL
Equipment Mobilization	\$ 425
Removal of Structures and Equipment	\$ 15,685
Surface Reclamation and Revegetation	\$ 2,539
<b>Subtotal</b>	<b>\$ 18,649</b>
Administrative Costs (5% of total)	\$ 932
<b>Grand Total</b>	<b>\$ 19,581</b>

**BOND REQUIRED PRIOR TO PLAN APPROVAL = \$19,600**

(rounded to nearest \$1,000)

- V The bond amount may be periodically reviewed and adjusted to compensate for completed reclamation work, change in equipment rental rates, wage rate scale, or increased scope of the reclamation. Should collection of the bond be required, actual cost and methods may be different than those described. If actual costs are greater than the amount of the bond, the Forest Service may request compensation. If the bond amount is greater than the reclamation work performed, a refund will be given.

WORKSHEET PREPARED BY

*Richard R. Kennedy*

DATE *3/5/97*

REVIEWED BY

*Wayne R. F. Janigan*

DATE *3/24/97*

#### References Used

- Cost Estimating Guide for Road Construction, Region 4 Division of Engineering, Forest Service, 1995
- Heavy equipment cost provided by local operator
- Estimated cost for removal of power line and transformer substation provided by Utah Power and Light, Richfield, Utah